exchange at any given period of time. The BOP date which are available up to April—September, 1994 are set out in Table 1.

Table—I

India's Overall Balance of Payments

(U S $ Million)

Item	1994-95 (April-September)
Exports f.o.b	11853
Imports c.i.f.	13385
Trade Balance	-1532
Invisibles, net	1096
Current Account	436
External Assistance, net	281
External Commercial Borrowings, net	3 2
NRI Deposits, net	536
Foreign Investment	2586
Rupee Debt Service	650
Other Capital, net	2441
Capital Account	4892
Overall Balance	4456
IMF, net	-1134
SDR Allocation	0
Reserves and Monetary Gold	-3322

Increase (-)/Decrease (+)

Source : Reserve Bank of India

Irregularities in the Tender system

1146. SHRI O. P. KOHLI: Will the Minister of FINANCE be pleased to state:

(a) whether Govt.'s attention has been drawn to the news item captioned "Delhi HC show-cause to CWC" appearing in the Hindustan Times of 25th January, 1995 wherein it has been stated that "Kickbacks" and "Bunglings" have been taking place in the calling and award of "tenders" by Government Departments;

(b) if so, the details of the procedure laid down for calling the tenders by Government bodies;

(c) the steps taken to ensure that there is no bungling and kickbacks and irregularities in the tender system;

(d) whether references have been received by his Ministry on the irregularities being resorted to by the Kendriya Bhandar in the tender system where rates agreed in tenders are revised frequently during the course of the periodicity of the tender etc.;

(e) if so, whether the rates can be increased of tender items during its currency on reasons other than increase in Government taxes; if not, the details of the orders thereon;

(f) whether any investigation has been made by Government into the lapses in calling tenders and not following the laid down procedure; and

(g) if so, the details thereof and the outcome thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKARA MURTHY): (a) Yes, Sir. The case pertains to a petition filed by Natwar Parikh Industries Ltd., New Delhi, in the Delhi High Court against the award of H&T contract by C.W.C. for its Container Freight Station at Patparganj, New Delhi. The case was heard by the Hon'ble High Court on 30.1.1995 and after hearing the arguments of both the sides the Hon'ble Court dismissed the petition.

(b) and (c) Under the General Financial Rules, tenders shall be invited for purchase of stores unless the value of the order to be placed is small or the competent authority is satisfied that sufficient reasons, which shall be recorded in writing, exist that it is not in the public interest to

call for tenders. Purchase of articles or group of articles upto Rs. 500|- on each occasion may be made without even inviting quotations. Purchase of articles costing between Rs. 501|- to Rs. 5000|- can be made without calling tenders. However in such cases, quotations must be invited. All the Ministries|Departments are required to follow the rules|instructions on the subject.

(d) Yes, Sir. A reference has been received regarding purchase procedure being followed by the Kendriya Bhandar. The same has been forwarded to the Department of Personnel and Training for appropriate action.

(e) Under the General Financial Rules, escalation in respect of labour cost, customs duties, freight, raw materials, etc. can be provided for in the contract, but the basis for the calculation of the same should be clearly indicated. Price escalation in case of raw materials can be allowed only where the prices are controlled| regulated by Government or Government agencies.

(f) and (g) In view of (a) above, the question does not arise.

Irregularities in Bank of credit and Commerce International

1147. SHRI GUNDAPPA KORWAR: Will the Minister of FINANCE be pleased to state:

(a) whether some irregularities in schemes of the Bank of Credit and Commerce International were detected in 1985 and 1986;

(b) if so, whether any action was taken against the bank in this regard;

(c) if so, the details thereof; and

(d) if not, whether Government have taken steps to ensure that strict action is taken against foreign banks on detection of any irregularities committed by them?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKARA MURTHY): (a) Reserve Bank of India (RBI) has reported that during its inspection of the Bank of Credit and Commerce International (BCCI) with reference to the position as on 22nd February, 1986, the following irregularities were observed in the Scheme known as Customer Funds Management Scheme (CFM), introduced by the bank, whereby the customers placed their funds at the disposal of the Bank for discounting of the bills co-accepted by the bank:—

(i) The funds accepted by the tank under CFM Scheme were to be treated as normal deposits instead of treating them as bills discounted. Accordingly, the Bank should have taken the above funds for calculation of SLR and CRR.

(ii) the co--acceptance of the bills was granted free of commission.

(b) and (c) RBI has intimated that the Bank gave its compliance to RBI's above inspection findings under CFM Scheme. This position was also subsequently confirmed in the RBI's inspection report with reference to its position as on 7th January, 1988. In view of this no action against the Bank was considered necessary by the RBI.

(d) RBI is empowered to take penal action in respect of banks operating in India (including foreign banks) on detection of irregularities committed by them.

Excise duty on pressure cookers

1148. SHRI GUNDAPPA KORWAR: Will the Minister of FINANCE be pleased to state:

(a) whether Government have analysed the results of excise duty imposition on pressure cookers;

(b) if so, the details thereof;